



# ENERGY ASSURANCE DAILY

Thursday, July 05, 2007

## ***Electricity***

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### **Update: California ISO Still Urges Conservation July 5, 2007**

The California Independent System Operator (California ISO) is still urging Californians to conserve electricity and shift energy use to off-peak hours today as temperatures remain high. According to the California ISO's website, conservation is not at a critical stage but is needed as demand is expected to peak around 44,992 megawatts today. The surplus is projected to dip to only 1,294 MW at about 4:00 pm Pacific time today. The 230 kV towers are still down but have not caused the California ISO to declare an alert today. The ISO said a Stage 1 emergency, in which the grid urges consumers to reduce their usage of electricity voluntarily to avoid severe strains, was possible, while Stage 2 and Stage 3 emergencies were unlikely.

<http://www.caiso.com/outlook/SystemStatus.html>

<http://www.caiso.com/outlook/outlook.html>

<http://www.caiso.com/1c10/1c109ad424af0.pdf>

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=8548114](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=8548114)

Reuters, 12:56 July 5, 2007

### **Constellation's 497 MW Ginna Nuke in New York Back at Full Power July 5**

The unit began to shut down July 3 to repair a turbine control valve. The unit completely shutdown on July 4 due to a loss of control room annunciators which made the company declare an "unusual event." Both the annunciators and turbine control valve were repaired and the unit began to ramp up to full power early on July 5.

Reuters, 12:50 July 5, 2007

### **TXU's 575 MW Big Brown Coal-fired Unit 2 in Texas Back in Service July 5**

The unit tripped off line due to a lightning strike on July 3.

Reuters, 13:22 July 5, 2007

### **Update: OPG's 516 MW Pickering Nuke Unit 5 Restarts July 4**

Reuters, 00:45 July 5, 2007

### **Reliant's 850 MW Conemaugh Coal-fired Unit in Pennsylvania Shut July 4**

Reuters, 00:45 July 5, 2007

### **PPL's 759 MW Montour Coal-fired Unit in Pennsylvania Shut July 4**

Reuters, 00:45 July 5, 2007

### **AES's 248 MW Alamos Gas-fired Unit 5 in California Shut July 4**

Reuters, 00:45 July 5, 2007

### **AES's 245 MW Alamos Gas-fired Unit 6 in California Shut July 4**

Reuters, 00:45 July 5, 2007

### **AES's 227 MW Huntington Beach Gas-fired Unit 3 in California Shut July 4**

Reuters, 00:45 July 5, 2007

### **AES's 227 MW Huntington Beach Gas-fired Unit 4 in California Shut July 4**

Reuters, 00:45 July 5, 2007

### **AES' 243 MW Redondo Gas-fired Unit 7 in California Shut July 4**

Reuters, 00:45 July 5, 2007

### **TVA's 889 MW Paradise Coal-fired Unit 3 in Kentucky Shut July 3**

Reuters, 00:45 July 5, 2007

### **PG&E's 404 MW Helms Hydro-powered Unit 3 in California Shut July 3**

Reuters, 00:45 July 5, 2007

### **Mirant's 682 MW Pittsburg Gas-fired Unit 7 in California Shut July 3**

Reuters, 00:45 July 5, 2007

## ***Petroleum***

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### **Update: Damage Estimates Still Unknown at 112,000 b/d Coffeyville Refinery in Kansas**

Some personnel are now on site at the refinery, which shut down due to flooding on June 28, but a comprehensive damage assessment cannot take place until water recedes from portions of the refinery and adjacent tank farm. On the company website on July 4, refinery CEO Jack Lipinski noted that operations would not resume until they could be done safely. The refinery is a key contributor of spot and contract product sold on the Magellan Central and Mountain pipelines as well as MAPCO, Valero, and Chase pipelines. The company announced yesterday that the overflow of crude oil from the refinery's main storage tank has stopped. Company officials are investigating the incident to determine the root cause of the spill and to ascertain the amount of crude oil lost during the flood. The company has also announced that its crude oil gathering system in Oklahoma and Western Kansas remains fully operational.

<http://www.coffeyvillegroup.com/latestInfo.asp>

OPIS Price Watch Alert, 10:22, July 5, 2007

Reuters, 16:38 July 2, 2007

### **Process Upset at ConocoPhillips' 146,000 bpd Borger Refinery in Texas May Delay restart of FCC**

The upset which was not identified by the company, did lead to a release of SO<sub>2</sub> and flaring. The refinery is currently restarting its 67,000 bpd Fluid Catalytic Cracker after completing maintenance of that unit.

Reuters, 09:08 July 5, 2007

### **Petrobras' 180,000 bpd Oil Rig in Brazil Briefly Shuts Due to Fire July 4**

The rig is now producing about 100,000 bpd. Repair work continues to repair the gas compression unit at the rig in the Campos Basin.

Reuters, 09:59 July 5, 2007

### **Update: Eni Says Its Nigerian Oil Fields are Not Under Force Majeure**

Traders reported Monday that Eni's oilfields in Nigeria were being reopened but the company was operating them under force majeure. (See Energy Assurance Daily July 2, 2007.) Eni responded to press reports on July 4 stating its Okono and Okpoho fields in Nigeria were not under force majeure.

07:42 July 4, 2007

### **Update: Gunmen Attack Shell Oil Rig in Nigeria; Seize Five Foreign Workers July 4**

The attack occurred as members of the Movement for the Emancipation of the Niger Delta (MEND) threaten to end a one-month truce and resume attacks on oil installations in their primary area of operation. Shell reported that no additional production was lost since this was only an exploratory rig.

[http://biz.yahoo.com/ap/070705/oil\\_prices.html?v=13](http://biz.yahoo.com/ap/070705/oil_prices.html?v=13)

Reuters, 06:47 July , 2007

### Update: Alaska Calling for Natural Gas Pipeline Applications to Deliver 35 Tcf from North Slope

October 1, 2007 is the deadline for oil and independent pipeline companies to submit an application that must outline details for delivering an estimated 35 trillion cubic feet of natural gas reserves to market. The call for applications comes a year after a proposed deal between former Governor Frank Murkowski and North Slope producers BP, Exxon Mobil, and ConocoPhillips fell apart in 2006. Alaska's new Governor, Sarah Palin, has introduced a new plan, but BP, Exxon Mobil, and ConocoPhillips have said the plan is not commercially viable.

<http://www1.wsvn.com/news/articles/national/MI53614/>

<http://www.businessweek.com/ap/financialnews/D8Q5FOVG0.htm>

### U.S. LNG Imports from Algeria Increase 10 Times Higher Than Second Quarter 2006

In the second quarter of 2007, with 660 MMcf/d entering the U.S., the U.S. received a record amount of Algerian Liquefied Natural Gas (LNG). Algeria supplied more than three times first-quarter levels and 10 times more than during the same period in 2006. During the second quarter, the U.S.'s total LNG imports equaled 3.2 Bcf/d.

[http://www.energyintel.com/PublicationHomePage.asp?publication\\_id=10](http://www.energyintel.com/PublicationHomePage.asp?publication_id=10)

### Colorado Judge Rules that Coal-Bed Methane Gas Producers Subject to State Water Law and Must Obtain Permits

In a July 2 ruling regarding a 2005 lawsuit filed against the state engineer's office, a water court judge in Durango, Colorado, ruled that companies pumping groundwater to tap gas in coal seams are subject to state water law and must obtain permits like other water users. The judge noted that "... an oil and gas well that affects water rights is subject to permitting requirements of the Ground Water Act." A regional spokesman for BP said that the decision creates confusion about the application of the state water laws. The spokesman added that BP has and will continue to comply with state water laws.

[http://pro.energycentral.com/professional/news/gas/news\\_article.cfm?id=8548170](http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=8548170)

[http://durangoherald.com/asp-](http://durangoherald.com/asp-bin/article_generation.asp?article_type=news&article_path=/news/07/news070703_3.htm)

[bin/article\\_generation.asp?article\\_type=news&article\\_path=/news/07/news070703\\_3.htm](http://durangoherald.com/asp-bin/article_generation.asp?article_type=news&article_path=/news/07/news070703_3.htm)

## Other News

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### Seven Cars Derail on Union Pacific Coal Train in Nebraska July 4

The train derailed near Omaha for unknown reasons. It could take until the weekend to clean up all of the spilled coal and remove the derailed cars.

<http://www.beatricedailysun.com/articles/2007/07/05/ap-state-ne/d8q6gctg0.txt>

### Update: Burlington Northern Says Flooded Coal Track in Kansas to Reopen July 8

The route from Kansas City to Fort Scott, Kansas shut on June 30 due to heavy rains. The track was averaging 5.8 loaded trains per day. Earlier it was reported that the rails would re-open today.

Reuters, 12:26 July 5, 2007

## Energy Prices

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U.S. Oil and Gas Prices			
July 5, 2007			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	71.81	69.87	75.20
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	6.30	6.74	5.70

Source: Reuters

## **Energy Notes**

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### **12,500 Sierra Pacific Customers in Reno, Nevada Lose Power Due to Triple Digit Temperatures**

<http://www.krnv.com/Global/story.asp?S=6747958&nav=8faO>

### **Cleantech Plans to Build 80 MW KRCD Community Choice Solar Farm in California by 2011**

Business Wire, 14:00 July 5, 2007

### **U.S. Winter Propane Stocks May Drop to 7-year Low-EIA**

Reuters, 14:47 July, 5, 2007

### **FERC Approves Natural Gas Pipeline Company of America's 200,000 Dth/d Proposed Expansion in Texas and Louisiana**

<http://intelligencepress.com/>

### **Pine Prairie Energy Center Announces Open Season for Additional 16 Bcf of Natural Gas Storage Capacity in Louisiana**

<http://money.cnn.com/news/newsfeeds/articles/prnewswire/LATU00703072007-1.htm>

### **Taylor Energy Center Suspends Permitting Activities While Participating in State Dialogue on Florida's Energy Future**

[http://www.wakulla.com/Wakulla\\_News/Local\\_News/Permitting\\_Activities\\_Temporarily\\_Suspended\\_on\\_Taylor\\_County\\_Power\\_Plant\\_200707033439/](http://www.wakulla.com/Wakulla_News/Local_News/Permitting_Activities_Temporarily_Suspended_on_Taylor_County_Power_Plant_200707033439/)

### **OPPD Considers Building Third Coal Plant (660 MW) at Nebraska City Site**

[http://www.omaha.com/index.php?u\\_page=2798&u\\_sid=10070725](http://www.omaha.com/index.php?u_page=2798&u_sid=10070725)

### **California Energy Commission Releases Staff Assessment for Russell City Energy Center**

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=8547855](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=8547855)

### **TransCanada Wraps Up Successful Open Season for Proposed Keystone Pipeline July 3**

[http://biz.yahoo.com/seekingalpha/070705/40114\\_id.html?v=1](http://biz.yahoo.com/seekingalpha/070705/40114_id.html?v=1)

## **Links**

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***This Week in Petroleum*** from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

***Weekly Petroleum Status Report*** from EIA

[http://www.eia.doe.gov/oil\\_gas/petroleum/data\\_publications/weekly\\_petroleum\\_status\\_report/wpsr.html](http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html)

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

***Natural Gas Weekly Update*** from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

## ENERGY ASSURANCE DAILY

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*Energy Assurance Daily* provides a summary of public information concerning current energy issues. Published Monday through Friday to inform stakeholders of developments affecting energy systems, flows, and markets, it provides highlights of energy issues rather than a comprehensive coverage. *Energy Assurance Daily* is updated online Monday through Friday after 5:00 p.m. EST. For more information, visit the Infrastructure Security and Energy Restoration (ISER) website at:

<http://www.oe.netl.doe.gov/index.aspx>.

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